

Gremlin

Wednesday, August 9,

Sega Acquiring Coin G

A subsidiary of the giant Gulf & Western Industries Inc. corporate family is acquiring San Diego's Gremlin Industries Inc., which makes coin-operated electronic games.

Sega Enterprises Inc., based in Redondo Beach, announced yesterday it will acquire all 400 shares of Gremlin for an undisclosed number of Sega shares.

Michael Dulberg, Sega vice president-finance, said Sega will transfer unregistered shares that will be made part of a new issue later.

Sega, which makes, distributes and operates coin-operated electronic games in the United States and Japan, is 95 percent owned by Gulf & Western.

Gremlin becomes Sega's second manufacturing plant in the United States. Gremlin makes two types of games that are used in restaurants, hotels and bars.

One includes a wall-mounted, animated fixture that is operated by remote control. The other is a video game that usually involves combat situations played on console or table installation resembling television screens.

Frank Fogleman, Gremlin president, said sales last year totaled \$6.5 million and expects them to climb dramatically as a result of the alliance with Sega.

Gremlin has 100 workers at its Aero Drive facility

Fogleman said he will stay with the firm. "Nothing in the administration or operation of the company will change. We've been looking for quite awhile to ally ourselves with a strong company in our field to enable us to expand our marketing and product lines."

Fogleman, who is the majority stockholder in the company, said it makes nine different games.

The sale does not involve Noval, a separate corporation that makes computers and related equipment for homes and small businesses. Fogleman and other principles in Gremlin have joint ownership of the two companies.

Dulberg said Sega's sales last year totaled \$30 million. Listed over the counter, Sega has 1.9 million shares outstanding. It has 1,200 employees.

Dulberg said the acquisition is subject to several conditions, mostly clarifying details of the proposed sale agreement, and, if they are met, the transaction should be completed in 45 days.

He said Sega is "looking to expand wherever and whenever possible in the coin-operated game business. We picked Gremlin because it has an excellent management team and an excellent reputation."

Fogleman said Sega approached Gremlin, "but they were probably aware that we were looking for an

alliance."

Gremlin was established in 1970 and made food-timing equipment for Jack In The Box and measuring devices for the Naval Underseas Center. It went into the coin-operated electronic games business in 1977 with its wall-

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NEW YORK (AP) — Tuesday's prices for New York Stock Exchange issues of Consolidated Tapes Class and volume consolidated for all also traded on other markets.

Sales				
	PE	hds	High	Low
ACF 2.10	9	88	14 1/2	36
AMF 1.24	9	142	19 1/2	19 1/2
APL 1	9	113	13 1/2	12 1/2
ARA 1.45	10	426	48	45
ASA 1	8	445	27 1/2	26 1/2
ATO 48	8	256	114 1/2	114
AT&T 72	17	435	38 1/2	35 1/2
AcmeC 80	4	107	20 1/2	20 1/2
AdmDg 04	7	51	4 1/2	4 1/2
AdmEx 1.11	40	123 1/2	12 1/2	11 1/2
AdmMI 20e	8	52	6 1/2	6 1/2
AdmSp 20	420	27 1/2	26 1/2	26 1/2
AetnolF 2.20	5	1041	43 1/2	42 1/2
Ahmans 1	5	243	24 1/2	24 1/2
Alison	84	24	24 1/2	24 1/2

Gremlin Industries, Inc.

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